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September 28, 1987

SPECIAL REPORT
Hispanic Marketing

Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Name game

Procter & Gamble Co. breaks a new commercial today urging kids to name the flavor of its new Crest Super Cool Gel for Kids toothpaste. The best entry wins a $25,000 shopping sprse at F.A.O. Schwarz. D'Arcy Masius Benton & Bowles handles. *(See story on Page 108.)*

Saatchi adding debt to options

By JON LAFAYETTE
and LAUREL WENTZ

NEW YORK—Saatchi & Saatchi stunned the financial community again last week by announcing it intends to continue its ambitious acquisition program, even if it means borrowing money to buy companies. That is a tactic the U.K. conglomerate has carefully avoided in the past.

In addition, any future acquisitions will be made without the help of Anthony Simonds-Gooding, chairman of Saatchi & Saatchi Co.'s Communications division, who unexpectedly resigned last week.

Mr. Simonds-Gooding played a key role in the company's many acquisitions, including last year's historic takeover of Ted Bates Worldwide, and subsequent agency consolidations.

He resigned to join a British satellite communications company.

Saatchi & Saatchi Holdings USA Chairman Andrew Woods, at a meeting with securities analysts here, said the company would review whether "we should make [future acquisitions] on the basis of debt, equity or both."

In the past, Saatchi has paid for its acquisitions with cash generated from operations or through selling shares in rights offerings on the U.K. stock market. Saatchi still has about $330 million in the

(Continued on Page 108)

Eight-day, $20M debut for Jeep-Eagle

Chrysler sets blitz

By RAYMOND SERAFIN

HIGHLAND PARK, MICH.—Chrysler Corp. will launch its new Jeep-Eagle division with a late December eight-day ad blitz intended to establish both the division and the new Eagle brand name.

Chrysler will pump an estimated $20 million, including merchandising tie-ins, into the effort, which will conclude with the introduction of the upscale intermediate sedan, Eagle Premier.

Chrysler Chairman Lee Iacocca has agreed to appear in launch ads, said Joseph Cappy, the former president-ceo of AMC who now is Chrysler group VP, Jeep-Eagle marketing. "We've got somebody better than Santa Claus," he said, referring to the scheduled Dec. 22 start of the media campaign.

Mr. Cappy, speaking at Chrysler's 1988 product preview here recently, said the ad blitz will begin with "teaser" ads. William Esty Co., Southfield, handles Jeep-Eagle.

Chrysler is positioning the Eagle line of passenger

(Continued on Page 108)

Last Minute News

United breaks drive

ELK GROVE VILLAGE, ILL.—United Airlines on Oct. 4 breaks new TV spots stressing its commitment to service and focusing on business travelers. The four 60- and two 30-second spots, some of which were filmed at United's giant "Terminal for Tomorrow" at Chicago's O'Hare International Airport, use George Gershwin's "Rhapsody in Blue" as background. Leo Burnett USA handles.

Burger King ready

MIAMI—Burger King Corp. will announce the winner of its $200 million account, the largest ever put up for review, today in New York. Finalists are D'Arcy Masius Benton & Bowles, incumbent J. Walter Thompson USA and N W Ayer.

Apples polish image

WENATCHEE, WASH.—The Washington State Apple Commission on Oct. 5 will break a $5 1 million radio and TV campaign with the theme " 'A' is for Washington. The very best apples in the world." The campaign is the first work from

(Continued on Page 8)

Florida fidgets over tax

By STEVEN W. COLFORD

TALLAHASSEE, FLA.—Chaos reigned in the Florida Legislature last week, thwarting advertiser hopes of immediate relief from the state's 5% ad tax and fraying nerves within the advertiser/agency/media triumvirate battling the 90-day-old tax.

But if the ad industry didn't win the immediate tax relief it seeks, it nevertheless saw enough encouraging signs to expect that Florida lawmakers, this week or next, will liberate—perhaps begrudgingly—advertising from the state's controversial tax.

See related editorial, Page 16.

"Both House and Senate seem dedicated to a resolution that does not include [a tax on] advertising," said American Advertising Federation Senior VP Wally Snyder. "How long it's going to take them to get there is something else."

Based on last week's brief session, Florida's Senate gravitates toward repealing the tax on advertising and other professional services, while the larger, more diverse House appears to prefer revising it to exclude advertising. Either way, the ad industry likely will get its wish, although there was enough inter-

(Continued on Page 107)

How industry forces fared in ad-tax fight

By STEVEN W. COLFORD

NEWS ANALYSIS

It was a brilliant October day in Virginia's Shenandoah mountains last fall, and William Sutherland was ruining it.

Here he was at the annual conference of the Association of National Advertisers, sporting an "AX THE TAX" button on his lapel and *chastising* the ANA's rank-and-file for failing to take seriously a big problem brewing in Florida.

Mr. Sutherland thought it his duty to bear bad tidings, even on so glorious a day. He was, after all, the executive director of the new State Legislative Alert and Action Coalition, formed by the ANA and the ad industry's two other principal trade groups, the American Advertising Federation and the American Association of Advertising Agencies.

In his mind, if there was anything the ad industry needed to be alert to and act upon, it was Florida's proposed law to tax services, including advertising.

The blunt-talking ex-Marine sat down to less than thunderous applause when he finished his speech. Three months later he was fired, his fate sealed, sources say, when Dan Jaffe, ANA senior VP-government affairs, rose to tell the same meeting that the ANA *was too* taking the Florida matter seriously.

The spectacle of two association officials in public disagreement was a shaky start for an industry facing its biggest political battle since the late 1970s, when it fought Federal Trade Commission Chairman Michael Pertschuk to a standstill over children's TV advertising regu-

(Continued on Page 106)

Highlights

IBM may enlist Hawkeye 4

IBM Corp. wants to give its "M*A*S*H" campaign a shot in the arm, administered by none other than Dr. Benjamin Franklin "Hawkeye" Pierce. Richard Lord, chairman of Lord, Geller, Federico, Einstein, New York, IBM's agency, said the leading computer company "is optimistic" about signing "M*A*S*H" TV series star Alan Alda for the campaign.

The naked truth 6

Lear's has found it can do very well, thank you, without *The New York Times*. Two weeks ago *The New York Times Magazine* rejected an ad for the forthcoming magazine because it depicted a woman naked from the waist up with her arms folded across her chest. The *Times'* advertising acceptability department banned the ad on "the grounds of taste." Undaunted, *Lear* began running the ad in trade publications. *Lear* Publisher Michele Magazine said initial response to the ad from advertisers has been strong.

Campbell Soup regroups 26

Campbell Soup Co., hit hard by competition in frozen foods and soups, will go "back to basics" next year with a marketing strategy highlighted by a slowdown in new-product activity and a new direction for its Le Menu frozen-food line. The plan also calls for a reallocation of the bulk of its ad spending to core brands and a restructuring of its business groups.

Clouds on airlines' horizon 28

Proposed airline ad guidelines from a state attorneys general task force could prompt the carriers to abandon the use of broadcast for price-oriented ads. The National Association of Attorneys General task force on the air travel industry believes airlines should be required to disclose orally all restrictions in broadcast spots that include fare information. Industry sources suspect the issue eventually could be decided in the courts.

P&G dashing to the rescue 88

Procter & Gamble Co. is aiding a village in Kenya by tying in a promotion for its powder detergent, Dash, on the popular variety show it sponsors in Rome. The project, code-named "Missione Bonta," or Operation Goodness, aims to provide schools and wells for Kiongwani, a drought-ridden settlement 100 miles south of Nairobi.

INTERNATIONAL

Japanese thrilled by Michael Jackson 80

Michael Jackson—on his first worldwide tour—made a Steven Spielberg-like debut in Tokyo, magically emerging from an opening in the stage floor and then singing and dancing virtually nonstop for the next two hours before a sold-out audience of 38,000. At the same time, Pepsi-Cola Co. is creating Michael Jackson-mania around the world with an army of promotional events designed to boost the cola marketer's share against Coca-Cola.

Nicaragua may license TV stations 76

At least two groups—businessmen and anti-government broadcast journalists—are petitioning the government for licenses to operate the first independent television stations in Nicaragua since 1979. All broadcast media in the country have been strictly censored since the Sandinistas came into power.

OTHER NEWS

Armed with the $30 million Chevron Corp. account it acquired last summer, Young & Rubicam in San Francisco is positioning itself as a major force in the Western marketplace. Page 24.

Cadillac is on its way to its 39th straight year as the U.S. sales leader in luxury cars, but General Motors Corp.'s flagship may need to change its image dramatically to stay on top. Page 30.

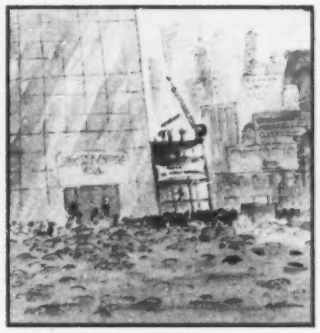
When it finally signed its people-meter ratings contract with A.C. Nielsen Co. last week, ABC-TV paid more—but also received more—than its network rivals, according to Marvin Mord, ABC's VP-research. Page 34.

Worldwide spending by Quaker Oats Co. on advertising, promotions and trade deals soared 37% in its just completed fiscal year and seems certain to break the $1 billion mark before this fiscal year ends next June 30. Page 49.

PaineWebber, known for its retail brokerage operations, is trumpeting its investment banking business with what may well be the world's longest "tombstone" ad. Page 50.

Their lyrics read like a greeting card dripping with Barry Manilow sentiments, but the corny touches have paid off for Frank Gari Productions. Company President Frank Gari and his small team of successful composers and arrangers have a grasp on contemporary pop attitudes that catches the attention of broadcast promotion directors nationwide. Page 52.

SPECIAL REPORT



***Hispanic marketing**—General agencies are starting to hang new signs in their windows:* se habla español. *In response to clients' demands, agencies are acquiring and affiliating with specialty shops or starting hispanic divisions. Starts after Page 56.*

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NFL strike drains nets of millions

By VERNE GAY

NEW YORK—With the National Football League players' strike barely a week old, the Big 3 TV networks already have suffered major advertiser defections representing millions of dollars in ad revenues.

The list of defectors is expected to grow this week, as the networks begin canvassing ad agencies for support if NFL-sanctioned "replacement team" games, staffed by non-union players, are broadcast.

Although Miller Brewing Co. has indicated it will sponsor those games, the likely answer from many others will be "no."

Two major automakers—Ford Motor Co. and Chrysler Corp.—already have said they will pull their ads from any games played by non-union players.

The major auto companies reportedly are concerned that their sponsorship of such games, scheduled to begin Oct. 4, would be interpreted as anti-labor. Ford last week completed a major agreement with the United Auto Workers, and the other automakers are in the midst of union negotiations.

The issue of whether to advertise in the so-called "scab" games is expected to be a contentious and complex one. The games are expected to get poor ratings, and advertisers seeking the typical NFL audience almost certainly will want to bow out.

NFL advertisers may legally be bound to honor their sponsorship agreements if the networks run the non-union games, according to some sources. Other sources, however, said the networks could not expect them to.

"It's a question of the spirit of the deal vs. the letter of the law," said one agency executive. "I bought NFL football, not scab games. It could get very messy."

"Legally, I don't think the networks can hold us [to our NFL sponsorship agreements]," said B.F. Mullins, Chrysler's director-sales and marketing/public relations. "I'd be really surprised if they did hold us to it. If they only offer us the alternate football games, we're not going to buy."

"We will not be advertising on any NFL scab games," John Vanderzee, ad manager of Ford Motor Co.'s Ford Division, said. "We're working with the networks right now to check some alternative packages. But at this point we have no plans to advertise on those games."

At press time, only CBS had decided to broadcast the replacement games. The other networks were undecided about whether they would carry the games, and uncertain whether they had to. NFL officials, however, said the networks would have to run the games.

"The networks have said nothing to us that would indicate they will not carry the games," said Val Pinchbeck, director of broadcasting for the NFL.

"The type of client who will go in [to the replacement games] is the type concerned with cost-efficiencies," said Stephen Grubbs, senior VP-director of national TV buying, BBDO Worldwide, New York.

Sources indicated such clients could include other automakers, especially imports, as well as financial-service organizations.

(Continued on Page 108)

Agency sharks circle Disney

By WAYNE WALLEY

BURBANK, CALIF.—Like sharks that smell blood in the water, entertainment-minded ad agencies started circling Walt Disney Co. last week after the departure of Young & Rubicam's entertainment division president.

Gordon Weaver, the Y&R official, will join the De Laurentiis Entertainment Group as a member of its Office of the President.

Historically, in Hollywood, such executive-level changes signal ad agency reviews. But Disney executives said it is "extremely premature" to discuss the status of Y&R Entertainment, the studio's agency since 1985 (AA, Jan. 31, 1985), even though sources confirmed several agencies have contacted Disney.

Mr. Weaver and Y&R exec VP Steve Rose, both former marketing executives at Paramount Pictures Corp., were instrumental in the agency's landing the estimated $60 million account, largely because of their ties to Disney Chairman-CEO Michael Eisner, Paramount's former president. Y&R's contracts with Messrs. Rose and Weaver expire Dec. 31.

"In the normal course of time we may evaluate our options, but we do not plan to at this time," a Disney spokesman said.

"As long as Disney is at Y&R, I will be here," Mr. Rose said.

That won't stop agencies from trying to pitch Disney, which now commands a 12.7% domestic film box-office share for 1987. Disney is third among major studios, trailing Paramount and Warner Bros.

Mr. Weaver, 49, anticipates that Y&R will release him from his contract before the end of the year. At DEG, he will become one of three members of its new Office of the President, with DEG President Frederic Sidewater and Stephen Greenwald, the president of the company's corporate division.

DEG awarded what it claims will become a $50 million media-buying account to BBDO Worldwide, Los Angeles, nearly four months ago (AA, June 8). Mr. Weaver said he doesn't plan an agency review.#

West Coast News

Pinch hitter scores for Wendy's

By SCOTT HUME

A pinch hitter has parked one in the seats for Wendy's International.

The fast-food chain's advertising was among the 10 best-recalled campaigns during August, according to the latest adWatch survey of advertising awareness. Wendy's, which hasn't placed among the top 10 since January 1986, held the No. 7 spot last month.

All that is good news for Wendy's and its operators, but the irony is that the "Hamburger A" TV commercials Wendy's has been running nationally lately are not the work of its current agency, Backer Spielvogel Bates, New York, nor of Dick Rich Inc., which BSB succeeded earlier this year. The spots were created last year by what was then DFS Dorland, is now Saatchi & Saatchi DFS Compton and which lost the Wendy's account last November.

When the Dick Rich-created "Give a little nibble" campaign fell flat and Mr. Rich was excused in favor of BSB, Wendy's found itself with a problem: What to run while BSB finishes its new "the best burgers in the business" campaign that is expected to break early next year (AA, Sept. 14).

The solution was to dust off the "Hamburger A" commercials, a witty series of spoofs of test-market focus groups. In each of the spots, a researcher asks people whether they would prefer "Hamburger A," the juicy, freshly made Wendy's hamburger that is clearly the correct choice, or "Hamburger B," which has reconstituted onions, has been held under a heat lamp and has other undesirable qualities. The continuing twist is that the subjects of the test keep picking Hamburger B, for a variety of silly reasons.

Dublin, Ohio-based Wendy's made the "Hamburger A" spots available to franchise co-ops, some of which ran them locally, but the commercials had not aired nationally until earlier this summer. That's a shame, because they appear to have registered with consumers.

Surprisingly, while the Wendy's commercials were well-recalled when the 1,000 adults polled last month were asked to name the first advertising of any kind that came first to their minds, "Hamburger A" failed to boost Wendy's score when consumers specifically were asked which fast-food advertising they recalled first.

As always, McDonald's Corp. dominated fast-food advertising recall, getting 41.4% of first mentions in the August poll (taken before the "Mac Tonight" campaign ran nationally). Burger King Corp. placed second with a share of 16.9%, down 2.6 points from its 19.5% share in the July survey.

Wendy's remained in its traditional No. 3 spot with an 8.6% share of first mentions, down from 10.2% the previous month. It faces a problem with which nearly every other restaurant chain can sympathize: Even if consumers love your advertising, they think of McDonald's first when it comes to fast-food.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb.

Ad awareness is measured by asking a nationally projectable sample to name the advertising that first comes to mind of all heard, read or seen in the previous 30 days. Consumers are queried on the first ad they recall overall and then in a variety of product areas. During August, 1,000 consumers were polled by telephone.

Those changes in advertising awareness that are deemed statistically significant by adWatch researchers are attributable to more than sample variation.

In other changes of note in the August survey:

- IBM Corp.'s advertising needs some help in the **computer** category. The so-called "M*A*S*H reunion" campaign that made such a splash when it was launched is losing consumer awareness.

In April, IBM's awareness score jumped nearly 10 points to 23.7% of first mentions, pushing it ahead of longtime leader Apple Computer. It's been downhill since then. After dropping 2.4 points in July, IBM's share fell another 2.5 points in August to an 18.8% share.

Apple, which was reduced to a 21.1% share when the new IBM spots broke, has since rebuilt its share and retaken first place. It garnered 29.1% of first mentions in the August survey. Radio Shack was third last month with a 3.1% share.

- Bartles & Jaymes had a bad month in the **wine & coolers** category, but the big gainer was its parent company E&J Gallo Winery rather than cooler rival Jos. E. Seagram & Sons.

Bartles & Jaymes' share of first mentions fell 4.3 points to 11.9% in August, dropping it to the No. 2 spot behind the 12.5% of first mentions given Gallo's wine advertising. Riunite was third with 9.1%, California Cooler fourth with 2.8% and Seagram wine coolers fell to the No. 5 spot with 1.9%.#

For more information or data, contact SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

AdWatch survey of advertising awareness
Top 10 in August

One thousand people were asked: Of all the advertising you have seen, heard or read in the past 30 days, which advertisement first comes to mind? *Source:* SRI Research Center Inc., Lincoln, Neb.

Rank		Advertiser	Agency
8/87	7/87		
1	1	Pepsi-Cola	BBDO Worldwide
2	2	Coca-Cola	McCann-Erickson
3	5	McDonald's	Leo Burnett USA
4	4	Budweiser/Bud Light	D'Arcy Masius Benton & Bowles/DDB Needham
5	6	Ford	J. Walter Thompson USA
6	3	Miller/Miller Lite	J. Walter Thompson USA/Backer Spielvogel Bates
7	—	Wendy's	Saatchi & Saatchi DFS Compton*
8	—	Tide	Saatchi & Saatchi DFS Compton
9	7	Chevrolet	Campbell-Ewald Co.
10	—	Levi Strauss	Foote, Cone & Belding

*Former agency

IBM hopes for Hawkeye

By CLEVELAND HORTON

IBM Corp. wants to give its "M*A*S*H" campaign a shot in the arm, administered by none other than Dr. Benjamin Franklin "Hawkeye" Pierce.

Richard Lord, chairman of Lord, Geller, Federico, Einstein, New York, IBM's agency, said the leading computer company "is optimistic" about signing "M*A*S*H" TV series star Alan Alda for the campaign.

"We've always had plans to work with Mr. Alda," Mr. Lord said. "A contract has not been signed, but the desire is there."

Mr. Alda will be in Canada through November filming a movie called "A New Life." His publicist would neither confirm nor deny the negotiations.

A. Alda

Armonk, N.Y.-based IBM used a "M*A*S*H" ensemble to introduce the Personal System/2 line of personal computers earlier this year (AA, April 6). The campaign replaced the series of Little Tramp spots featuring a Charlie Chaplin look-alike, which focused only on Big Blue's PC line.

Since the campaign's introduction, IBM has expanded its use of the seven former "M*A*S*H" actors to plug its typewriters and minicomputers, as well as its PS/2 line.

An IBM spokeswoman said "we have said from the start that we'd use the ensemble wherever it was appropriate."

The "M*A*S*H" effort immediately increased consumer awareness of IBM. However, since the first appearance of the spots, awareness has dropped steadily. In contrast, Apple Computer, the No. 2 PC marketer, has recaptured awareness consistently since April. *(For complete awareness results, see story above.)*

While LGFE's Mr. Lord would have preferred to bring Mr. Alda into the picture sooner, the actor apparently signed a five-year contract with Atari Inc., then a Warner Communications subsidiary, in 1983. That contract should expire this year.#

U.S. NewsWatch

Marketing news from regional centers across the country

Oregon pulls lottery account in-house

SALEM, ORE.—The Oregon State Lottery will remove its $2 million account from Pihas, Schmidt, Westerdahl and expand its three-person in-house marketing staff. The agency will stop handling marketing at yearend and will handle public relations until March, when its contract expires and the PR account will be reviewed.

OKLAHOMA CITY—**The state Department of Tourism & Recreation** has named four finalists for its $1.8 million account: incumbent Ackerman, Hood & McQueen; Ad Inc., Tulsa, Okla.; Jordan & Associates; and Runkle-Moroch. A winner may be named by November.

FARMINGDALE, N.Y.—**Nature's Plus Quality Natural Vitamins** will introduce a line of body-building food supplements in New En-

(Continued on Page 84)

WHO PUT A CHERRY IN 7 UP?

The same techniques that helped develop new Cherry 7 UP created the Magic Mushroom for Airwick, Bacardi's Frozen Mixers, Glass Works for S.O.S, Sunkist Vitamin C Tablets, put Baking Soda in more than 30 million refrigerators...can spell success for you.

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Inserts that work!

PRODUCT MOVERS 621 AVENUE OF THE AMERICAS NEW YORK, NEW YORK 10011

Low media costs make fees more feasible

If we were an Anglo shop, we'd bill more than $40 million," says George San Jose, president of San Jose & Associates. Instead, the Chicago-based shop bills more than $4 million.

The discrepancy springs from media economics. "The commissions from Spanish-language media are one-tenth that of general market media," he says.

While hispanic media is comparatively low cost, hispanic agencies have to pay their staff salaries commensurate with those of general market agencies. "Our media director puts together a national program that will bill about $1 million," says Paul Casanova, president of Irvine, Calif.-based Casanova, Pendrill Publicidad. "The general-market agency media director puts in the same amount of time and develops a $30 million media program. The personnel costs are the same, yet we're getting 15% of $1 million while they bill 15% of $30 million."

Even outside the media department, hispanic agencies confront a more labor-intensive process. It takes more time and effort to produce a $75,000 spot than a $500,000 spot, says Daisy Exposito, VP-general manager of Young & Rubicam's New York-based Bravo Group, "because you can't hide behind the production values of a $500,000 spot."

For this reason Bravo—and most any hispanic agency—would rather operate on a fee structure. "For most clients, you can't cover your costs if you structure along billings," she says.

The billings structure at Hispania, J. Walter Thompson's New York-based hispanic division, is determined by the client, says Caroline Demy, senior VP-general manager. "Obviously fee is best. But J. Walter has never questioned the method of payment."

The push on the general-market side toward fee income could make this a moot point in the future.

"If you're not on a commission system the discrepancy doesn't matter," says Duke Miller, exec VP, director-client services, Tampa, Fla.-based Louis Benito Advertising.

Another trend may balance the books even for those now billing on commission. "Hispanic media costs, particularly in Miami, are inching up," says Isaac Lasky, VP, Southfield, Mich.-based W.B. Doner and Co.'s hispanic division. "There may even come a time when agencies will want to be paid on commission."

Billings boom

Hispanic market media revenues (000,000) and% growth from previous year

1986	$398.0	19.3%
1985	333.5	17.2
1984	284.5	26.8
1983	224.4	35.2
1982	166.0	—

Source: *Hispanic Business*

LATINS ARE SOLD ON IT.

Sábado Gigante is the top rated network show on Spanish TV.

It's a game and entertainment extravaganza that keeps more than 8 million Hispanic-Americans glued to their TV sets every Saturday night.

It's attracting the attention of a lot of major advertisers, too. Like General Foods, Hershey, Procter & Gamble, Anheuser-Busch, Coca-Cola and Beatrice Foods. And, in addition to big numbers, it offers an exciting merchandising and promotion program.

So if you're trying to sell America's booming Hispanic market, what better way than on the number 1 rated show on the number 1 rated Spanish network, the UNIVISION Spanish International Network.

For details, call Joe del Cueto, Sales Manager, Sábado Gigante, at 305-285-4038.

SABADO GIGANTE. THE NUMBER 1 RATED SHOW ON SPANISH TV.

Demands

(Continued from Page S-1)

be comparatively few agencies serving the market," she says, adding that small independents may find their strength in servicing small and hispanic-owned businesses.

The recent activity has Richard Dillon mildly amused. "We're going to bill about $40 million this year," says the president of Newport Beach, Calif.-based Mendoza, Dillon & Asociados. "We're the largest agency in this market, yet we rank as the 199th largest agency [overall]. To a major general agency, it's peanuts. They can't get excited about a division that pulls in $5 million or $10 million."

The major agencies that have entered the market have not presented much competition, he says, because they don't support their hispanic divisions.

"If big agencies are going to get involved they should buy hispanic shops but let them manage themselves. If the general-market account group rides herd and controls the hispanic division's activity, it's back to the same problem of the general market element restricting hispanic budgets."

The likelihood of that happening is too real, says Mr. Casanova. "We want to stay independent so it's not a case of the dog wagging the tail."

General-market divisions have an advantage in easy access to the mother agency's client list.

"It helps them get a foot in the door," says Mr. Dillon. But, he adds, they have to maintain their distance.

Despite both Burnett and Doner starting in-house operations, Ms. Zubizarreta says most agencies find it easier to buy an existing shop. The problems, she says, occur in pushing that division to adapt to general market agency standard operating procedures.

Jesse Wilson, exec VP of Chicago-based San Jose & Associates, says when an Anglo mentality is projected onto hispanic shops, "it never seems to work."

(Continued on Page S-6)

Editor's note: Stories not identified by a byline written by Ed [illegible], senior edit[illegible]

Practitioners preach regionalization

Licking their chops describes the response hispanic market agencies and Spanish-language media have had to regionalization, the latest buzzword in marketing.

The hispanic market qualifies for both of marketing's most recent fixations. There's no denying it's niche marketing at its most basic. Now that companies are breaking marketing efforts into regional approaches, they are bound to discover 86.3% of all U.S. hispanics live in 33 areas of dominant influence and that the top 10 hispanic ADIs are home to 62% of U.S. hispanics.

"You can't do anything in Southern California or Dade County without an hispanic component," says Jesse Wilson, exec VP, San Jose & Associates, Chicago. "In this market, national accounts really are a series of spot placements."

Lotus Hispanic Reps, a New York-based radio ad sales company, already has seen a positive ruboff from regionalized efforts, says President Richard Kraushaar. "Regional offices are saying they've got to put money toward the hispanic market when 30% of their sales are generated by hispanics."

The regional shift has restructured decision making, says Ken Ocepek, Univision's Chicago-based Midwest sales manager. "Rather than have the gurus who don't travel to these markets making marketing decisions based on outdated research, we're seeing the guys in the field given more authority."

Agencies also have seen the sweet rewards of the change. "We had been dealing with Frito-Lay corporate for 2½ years," says Paul Casanova, president of Irvine, Calif.-based Casanova, Pendrill Publicidad. "But the program finally got off the ground when the [regional staffs] became more responsible for sales and marketing efforts."

Mr. Wilson says San Jose will target companies that are focusing on re[illegible]al efforts. He predicts the move toward regionalization will create greater agency activity in areas that have large hispanic populations and smaller agency communities. "The next hot area for agencies is Southern California," he says.

The regional shift also may help put to rest one of the industry's oldest debates. Agencies long have argued about the benefits of regionalizing creative work to address an area's predominant nationality group vs. a national approach using neutral images and "Cervantes Spanish." Those backing regional creative efforts talk about their greater impact on targets, who like to see their distinct nationalities reflected in ads; others argue that the added production costs don't justify separate executions and regionalizing creative strategies further confuses clients.

Although it's important to be aware of regional differences, "when you're putting together a national program for a national client it can be very inefficient," says Mr. Casanova. "Anheuser-Busch may have the money to back it up, but not many companies are in the market at that level." The creative approach question is an issue raised primarily by local shops, he says. "For obvious reasons, they love it."

Tere Zubizarreta, president of Miami-based Zubi Advertising Services, quickly identifies herself as a believer in the regionalized approach. "Borden's is advertising ice cream in Miami and calling it *nieve*, which is what Mexicans call ice cream, but what Cubans call snow. So they're selling snow at the local grocers.

"Marketers don't create commercials geared for Bostonians and run it in Mobile, Ala." The hispanic market is not so different from the general market that the same rules don't apply, she says.

The arguments have remained unchanged and probably will until advertisers make them unnecessary. When Campbell Soup Co. reorganized its marketing program along regional lines, no one was happier than Carlos Rossi, president-ceo of Conill Advertising, Campbell's New York-based agency. "It made the whole question unimportant."

Hispanic population
(thousands)

1. Los Angeles	3,614
2. New York	2,496
3. Miami	936
4. San Antonio, Texas	889
5. San Francisco	787
6. Chicago	754
7. Houston	707
8. McAllen/Brownsville, Texas	588
9. El Paso, Texas	478
10. Albuquerque, N.M.	451
11. Fresno, Calif.	410
12. Dallas/Ft. Worth	384
13. San Diego	381
14. Phoenix	349
15. Sacramento/Stockton,Calif.	345
16. Corpus Christi, Texas	341
17. Denver	260
18. Philadelphia	231
19. Tucson, Ariz.	208
20. Austin, Texas	171

Source: Strategy Research Corp.

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Demands

(Continued from Page S-8)

to dispose of a Y&R client's general-market strategy if it doesn't work for the hispanic market.

"We have the best of both worlds," Ms. Esposito says. "We have Y&R's resources if we need them, and we can have a non-Y&R client and have absolutely no interaction with 285 Madison."

Ms. Demy also taps into JWT's resources. "We can do a more sophisticated job as opposed to a small boutique. They can't afford to subscribe to all of the support services we can tap into, which allow us to move more quickly," she says.

Both general managers admit to experiencing problems with general-market account teams. "They don't want to lose billings," Ms. Demy says, "and they may tend to think of us as another agency because of that mentality. But we're being recognized as an element of the team."

Ms. Esposito says Y&R clients that show an interest in using the hispanic division are told they need two separate budgets, "not that they should sacrifice their general market budget for Bravo." She says she can understand why general-market account supervisors try to keep a client from going into segmented marketing if they think it would detract from general market efforts.

"Maybe two years ago, the general account team would have seen this as a threat. Now they see it as an opportunity," says Isaac Lasky, VP-hispanic marketing at Doner's new division. Clients were asking them about the hispanic market, he says, and they couldn't offer answers.

"We're not taking away from what clients are doing in English," he says. "This is a totally new effort that should result in more billings."

Still, Mr. Rossi suggests general market agencies have a hard time giving their hispanic units the autonomy and respect they deserve. Although Conill is a wholly owned Saatchi subsidiary, the arrangement is strictly financial, not operational. "The only client conflicts we have are the ones we make ourselves." He says in-house divisions are too dependent on the general market sides' operations.

"The big names in the general market aren't really the big names here," he says. "I don't think the general-market agency executives really care about their hispanic divisions."

If they did, Mr. Rossi warns, watch out. "The rules of the game would change overnight. I don't think it will happen, but if it does there suddenly will be a major new player." Most independents live in fear of this, he says.

Whether a major agency can command the market depends on its level of commitment. "If the hispanic division is a poor

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Demands

(Continued from Page S-10)

cousin, and hispanics aren't in management, they won't go anywhere," says Ms. Haar.

Because hispanic budgets are concentrated among relatively few companies, any account shifts could restructure the pecking order. And while Burnett has said its hispanic division will service only P&G clients, even a reallocation of P&G's budget—rumored to account for 10% to 15% of total Spanish-language media spending—would send shock waves through agencies.

"If any one of us gets that next big account, we will leapfrog over the others," Mr. Rossi says. One agency could have 10% of the total hispanic business, he says, and "the rest will realize they no longer are what they once were."

The independents then either will merge or restructure along the lines of general-market shops, Mr. Rossi says. Messrs. Garrido and San Jose say they already have done the latter, calling themselves second-generation independent hispanic agencies.

But it's just as important to establish a relationship of some kind with general-market shops, says Mr. Casanova. "We have a relationship with Dancer where we can talk directly to the client and implement our programs and the agency can oversee what we're doing and make suggestions. They serve the client's needs, we get the business and maintain our autonomy."

But independence may be easier to talk about than maintain. Although she says she does not want to give up any autonomy, Ms. Zubizarreta says she will listen to offers. "Everybody has a price," she notes.

Those intent on remaining independent don't suffer any delusions that they may be a dying breed. "Who knows," says Mr. San Jose, "in five years we could be the largest independent. We also might be the only one."

ETH-ICS/n 1: a set principles or values: a system of dealing with what is good and bad with moral duty and obligation ....see Lotus Hispanic Reps

New battle lines drawn

Equality means different things to different people. When Spanish-language media executives and hispanic agency people dream of equality, they envision a day when the percentage of corporate America's hispanic marketing budgets equals the percentage of U.S. hispanics. With an estimated 18.9 million hispanics in the U.S. in 1987, in their perfect world they would receive 7.5% of U.S. marketing dollars.

Reality again falls short of the ideal. According to an analysis performed by New York-based Telemundo Group, Spanish-language TV pulled in $184 million in 1986, or .8% of total TV revenues.

"Invariably hispanic budgets are underrepresented in terms of population," says Roger Pisani, exec VP, managing director, New York-based Publicidad Siboney, because hispanics are influenced by general market media.

This, says Ken Ocepek, Univision's Chicago-based Midwest sales manager, is the latest in a long line of barriers thrown before Spanish-language media. "Research has shown hispanics buy their products, will continue to speak Spanish and enjoy Spanish-language media. Now they subscribe to the theory that hispanics can be reached through general market media anyway, so there's no need to bother with Spanish-language media."

Hispanics at home with Spanish

Language spoken in specific situations

	At home	At work	Socially
Spanish	71.7%	35.8%	54.5%
English	10.4	30.0	18.0
Both	17.9	34.2	27.5

Source: Strategy Research Corp.

It's not that hispanics don't watch "Cosby"—"Yankelovich told us years ago that they spend 50% of their media time watching English-language TV"—it's that the issue should be advertising related, he says. "While spots may be seen, they don't score any copy points, particularly spots that are based in humor or are sung and danced to. The advertiser would be better off throwing a slide on the screen and doing a voiceover."

Because advertisers' perceptions are its reality, however, Siboney is conducting a study on general market advertising's effect on hispanics who speak mostly Spanish in the home vs. its impact on fully bilingual hispanics. "All hispanic agencies are trying to quantify a number of areas, and the impact of Anglo advertising is one of them," says Mr. Pisani.

The role of English-language media is more accepted, says Arturo Villar, publisher, *Vista*, an hispanic-oriented Coral Gables, Fla.-based English-language newspaper supplement. He offers as proof *Vista's* distribution and advertising track record. The supplement started in September 1985 with 12 newspapers and two ads; this month 27 papers carried *Vista*, and its August edition pulled 17 ad pages.

"Spanish-language media wanted to ignore the fact that some hispanics prefer to read English," he says. "Now they say, 'Yes, of course, you must use Spanish-language print, radio and TV and English-language print. In fact, some have become strong allies to *Vista*. We've been able to prove to skeptics that this market segment wasn't reached."

The size of the segment is debated. Miami-based Strategy Research Corp. reports that 43%, or 8.1 million, of the 18.9 million U.S. hispanics speak English well or very well. In comparison, 85.8% of the hispanic population speaks Spanish well or very well.

The figure for English-speaking hispanics is higher, Mr. Villar says, based on *Vista's* experience in creating a sample group of U.S. hispanics who read English well or very well.

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13

MISTAKES TO AVOID WHEN MARKETING PACKAGED GOODS TO SOUTHWEST HISPANICS.

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Buck passing hinders better research

By Linda Cecere

It's no secret greater emphasis is being placed on improving hispanic research. But the interest has yet to translate into major corporate financial commitments, and the issue rests on who will foot the bill for bigger and better consumer studies and syndicated research.

Linda Cecere analyzed the hispanic newspaper market in the Aug. 11, 1986 Special Report.

Abbott Wool, senior VP, media director, New York-based Cadwell Davis Partners, and Spanish Radio Advisory Council chairman, says hispanic research companies are getting more aggressive as demands for better service rises. Mr. Wool says the ad industry in general is getting more active in developing custom hispanic research and syndicated services.

Yet a critical lack of support remains, resulting in the field's slow development. Only some $20 million is spent on hispanic research annually, he estimates. In comparison, the top 46 U.S. research companies' 1986 revenues totaled $1.9 billion.

■ *Clients want better numbers but don't commit funds; major researchers' efforts fall short*

A major reason for the funding gap is corporate mistrust of hispanic research methodologies, a situation exacerbated by lack of faith in U.S. Census Bureau numbers and estimates of the undocumented alien population. Research companies specializing in the market perform handsprings to provide believable, valid results, yet always are held up to questioning on sample size and the market universe.

Research sources often don't provide large enough samples to convincingly measure hispanic media or product consumption, says Marianna Reges, manager-media research of New York-based Bristol-Myers Co.

"We have told [major Anglo research services] we're very interested in broadening Hispanic coverage," she says. However, non-hispanic markets are the primary source of business for major research suppliers including A.C. Nielsen Co., Arbitron Ratings Co. and SAMI/Burke.

"Too often hispanic research is used as a disaster check on commercials or decisions already completed," says one hispanic researcher. "I don't think advertisers and the larger Anglo research firms take it very seriously. Smaller not-so-flashy firms need more work and encouragement in order to survive."

Richard Amundsen, director-hispanic markets, Atlanta-based Coca-Cola Co., says those not-so-flashy companies have done a good job of researching and defining the market. Miami-based Strategy Research Corp.'s door-to-door studies of 10 major hispanic markets "very reliably establish brand preference, consumption rates and penetration," he says. Coca-Cola also uses SRC's STAR TV ratings service and is awaiting results of a product movement study performed by Nielsen.

Peter Roslow, director-marketing, New York-based Telemundo Group, says syndicated product usage data, ratings services and competitive ad expenditure surveys will exist in the next decade. "Credibility will improve as support for hispanic research and services increases from the big consumer companies."

The support will come, says Henry Adams-Esquivel, VP of San Diego-based Market Development Inc., a full-service company specializing in what it calls "transcultural marketing." "If U.S. companies don't do more transcultural marketing, they'll lose market share."

Dale Dauten, head of Westlake Village, Calif.-based Research Resources, says increased attention from big players will have little effect on independent hispanic research companies. "The specialty shops will continue to have appeal as the budgets—and the stakes—get bigger."

Richard Tobin, president of SRC, the leading full-service hispanic research company, agrees. "This is not a horse race," he says.

Some general market research thoroughbreds are showing greater interest in the hispanic market, however. AGB Television Research, the U.S. subsidiary of AGB Research PLC, London, purchased Hicksville, N.Y.-based Information & Analysis in 1983. Although the subsidiary initially focused on electronic media research, hispanic-oriented studies now account for 50% of the business, says Harvey Morrow, VP-general manager.

The company was selected to conduct the pilot study of the Chicago radio market by the Spanish Radio Advisory Council as part of its effort to develop a national syndicated ratings service. Originators of the SRAC concept, New York-based Caballero Spanish Media and Lotus Hispanic Reps and Harlingen, Texas-based Tichenor Media Systems, say the ratings service would have more credibility with advertisers than existing services.

"Coverage of Spanish radio stations in the existing rating books is not consistent," says Eduardo Caballero, president of the radio organization that bears his name. "They make a good effort, but we think measurement of Spanish media should be separate. If the advertisers and their agencies set the research criteria themselves, it will have credibility." Representatives from McDonald's Corp., Procter & Gamble Co., Bristol-Myers, Young & Rubicam and J. Walter Thompson participate in the council; hispanic media and agency representatives observe.

The Arbitron diary method has come under fire from critics. David Lapovsky, Arbitron's VP-research, says his company's hispanic sampling, which combines diary and meter methodologies to measure radio, is large enough to offer a fair measurement.

Diary alone is used to rate TV. "The diary has its shortcomings," he concedes. "But if it's administered properly, it can be an acceptable tool."

Arbitron places three phone calls to hispanic households vs. one to Anglo households to encourage participants to complete and mail in their diaries. The company also pays hispanics more to participate in the surveys.

For the time being, hispanics will not be covered separately via ScanAmerica, the Arbitron and SAMI/Burke people meter service that now is available in Denver, Mr. Lapovsky says. "Our basic commitment is to the total market, although it is possible to measure a sizable ethnic population if a subscriber requests it."

SAMI consultant Alan Miller says a larger number of clients are looking to segment consumers in key hispanic markets to determine regional preferences. Focus groups are conducted and individual stores in specified ZIP codes are surveyed to define local shopping patterns.

Mr. Miller says the 60 stores covered provide a large enough sample to measure reliably.

Battle lines

(Continued from Page S-12)

He pegs the English-speaking hispanic population at 10.4 million or 55% of the total market.

But Mr. Villar admits the debate will rage on. "I don't think anyone will be able to tell how effective general market media reaches hispanics."

Common sense suggests that as the U.S. hispanic population grows, both the Spanish and English-speaking segments will enlarge. This could create a niche for a new agency structure, says Luis Salces, exec VP of Chicago-based OMAR Inc.

"The market will segment more along generational lines vs. nationality lines," he says. "There is an opportunity to create a second generation of agency that attends to the needs of that [generational] market segment."

Lionel Sosa, president of San Antonio-based Sosa & Associates, ties Spanish and English-language creative executions and media placements to generational and acculturation factors. Critics suggest that San Antonio's multigenerational hispanic market does not represent the immigrant-fueled U.S. market.

San Diego-based Market Development Inc. reports that regardless of generational status, hispanics respond to Spanish-language advertising. After being exposed to Spanish-language advertising, 58% more hispanics said they would consider using canned or frozen foods; 56% more said they would consider buying a full-size auto.

"As a member of the new generation, I see its potential as a target," says Marcelino Miyares Jr., OMAR's director-client services. "But the need to address more typical hispanics will remain. Spanish is still the emotional language."

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"Acceptability of numbers is a nebulous thing. If you have a lot of satisfied customers, then you have acceptability."

Syndicated services are becoming increasingly important as clients emphasize regional operations, he says. But SAMI does not plan to get involved in qualitative research.

Despite increasing hispanic market activities, Peter Benziger, head of hispanic research for Greenwich, Conn.-based Moran & Tucker, says the biggest problem is convincing companies to invest in hispanic research. Hispanic research studies usually cost $15,000 to $25,000, he says; Anglo studies typically cost $80,000.

"Sampling also is a tough problem, especially with the telephone," Mr. Benziger says. "Plus, few hispanic research companies have the manpower or analytical expertise to cope with larger studies."

But they offer clients one important benefit: a knowledge of hispanic culture that many general market companies lack, says Rosanna Stoll, president of Chicago-based Metrica Marketing Group. "You can't become an expert in hispanic culture overnight." AA

Making sense of the morass

Caroline Demy feels no envy for clients attempting to select an hispanic agency. "It's a real morass out there," says the senior VP-general manager of New York-based J. Walter Thompson's Hispania.

Clients will find an incredible variety of capabilities and structures—one to 40-man independent shops, affiliated agencies, general-market agencies with hispanic divisions or capabilities. Like general-market agencies, however, the trend among many hispanic agencies is to provide full services.

"Some clients think they need somebody who knows the language and can put somebody hispanic on the air that won't offend anyone," says Carlos Rossi, president-ceo of New York-based Conill Advertising. "What they actually need is a full-service agency that can handle promotions, media, research, merchandising, creative—all the angles."

Again imitating the general market, the push is on promotions. Chicago-based San Jose & Associates will be involved in about 200 promotions this year, says President George San Jose. "We do more promotional activities than most agencies, which gives us a competitive advantage with a client who recognizes this area as being important."

Promotions are extremely important in the hispanic marketplace, says Roger Pisani, exec VP, managing director, Publicidad Siboney, New York. "I'm amazed at how effective promotions are in the hispanic market vs. the general market." Siboney, like other hispanic agencies, recently established a separate promotions division.

"Almost uniformly, our promotions have had outstanding results," he says. A recent sweepstakes promotion for Palmolive liquid detergent directed at Miami's hispanics resulted in a 40% increase in total volume for the entire area vs. a similar period the previous year.

Historically, hispanic promotions have been goodwill-oriented gestures tied to community events, "which is nice, but we're paid by clients to deliver case sales," Mr. Pisani says. "We won't have simply a float in a parade. We build in an incentive to purchase. We want the good will of the community, and we want the cases."

Achieving the first objective naturally leads to the second, says Tony Torres, director-market development at Chicago-based Burson-Marsteller. "With hispanics, consumer good will take them into product sales." The goodwill factor always will exist because companies don't target hispanics just to make sales, he says.

Burson-Marsteller's entrance into the market four years ago highlighted the growing importance of public relations and promotion in the hispanic segment—and caused agencies to take a harder look at their promotional capabilities.

"The next phase is specialization," says Daisy Exposito, VP,

(Continued on Page S-16)

The main events

Top hispanic special events

	Attendance (000)
1. Calle Ocho, Miami	1,500
2. Puerto Rican Day Parade, NYC	1,000
Hispanic Day Parade, NYC	1,000
4. Hispanic American Cultural Festival, Washington	500
5. Fiesta del Sol, Chicago	400
6. Three Kings Parade, Miami	300
Fiestas Patrias International Parade, Houston	300
8. Hispanic Heritage Festival, Miami	290
9. Fiestas Patronales, Chicago	250
Con Sabor a Mexico, Chicago	250
Carnaval, San Francisco	250
Charro Days, Brownsville, Texas	250
13. Pan American Festival, Chicago	105
14. Mexican Independence Day Parades, San Antonio, Texas, and Los Angeles	100
24th St. Fair, San Francisco	100
Cinco de Mayo, Dallas	100

Note: Fiesta San Antonio draws 4.5 million and Los Angeles Street Scene attracts 1 million. Not considered purely hispanic festivals, but have large hispanic attendance.

Source: Burson-Marsteller Hispanic Media & Marketing Service

WORK 'n 1: sustained physical or mental effort to overcome obstacles and achieve an objective or result 2: something produced by effort, exertion or exercise of skill...see Lotus Hispanic Reps

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KCVR
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XPRS
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KIQI
KAZA
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A divorce among the marriages

At first it appears California's recently passed English-only language law has made a powerful impression on McCann-Erickson. While more general market agencies are acquiring or starting hispanic divisions, last November McCann-Erickson divested itself of Los Angeles-based La Agencia de McCann-Erickson, which subsequently became La Agencia de Orci.

In addition to resolving questions of minority ownership, La Agencia wanted to operate without the overhead of a large organization, says Richard Edler, exec VP-general manager of McCann-Erickson/Los Angeles. "Decision-making is much more efficient without the overlay of a large corporation," agrees Hector Orci, La Agencia's president.

He also says he now is able to prospect freely for clients without worrying about conflicts with McCann accounts. "The greater the autonomy and independence, the better the prospects for success."

As part of a larger company, Mr. Orci says, other priorities often get in the way of servicing a client. The operating arrangements of Conill Advertising and Publicidad Siboney, which are given long leashes by Saatchi & Saatchi and Foote, Cone & Belding, respectively, are the best, he says.

Mr. Orci's experience has had an impact on other independent hispanic shops. "When agencies talk to us about acquiring independents, they claim that it will be strictly hands off, that we'll be able to maintain our identity--everything sounds hunky-dory," says Paul Casanova, president of Irvine, Calif.-based Casanova, Pendrill Publicidad. "But look at Hector Orci. It sounds great when you can say, 'I'm a part of McCann-Erickson,' but there must be something wrong with it."

Mr. Orci simply says "life as an independent is terrific," and that he has no plans to sell or reintegrate with another agency.

Over at McCann there are no plans to acquire or start an hispanic division. In fact Mr. Edler may prove to be the most forward thinking of all mainstream agency executives involved in the market.

McCann is putting together fully bilingual account groups and creative teams that are equally adept at servicing a client's general or hispanic market requirements. "It's strange that as we work to assimilate ethnic groups in society, we separate them at agencies.

"There shouldn't be an agency within an agency, which La Agencia was." Separate hispanic divisions not only are unnecessary, he says, but anachronistic.

"McCann is able to walk up to a client and say we can take your campaign anywhere in the world. If we can do it in 135 countries, why can't we do it here?"

Minority issue has major impact

The U.S. Army is supposed to be prepared for battle. It received an opportunity to prove its combat readiness when New York-based Bravo Group was named the Army's hispanic agency in January.

Lionel Sosa, whose San Antonio-based agency had handled the Army's hispanic work as an N W Ayer subcontractor, complained at the time that the Army should use an hispanic-owned shop. Bravo was assigned hispanic duties when Young & Rubicam, its parent company, won the account from Ayer.

While the law stating that federal government contractors should use in-house capabilities whenever available overruled minority vendor considerations, independent hispanic shops have a distinct advantage in chasing some government and corporate business.

"We can now look for business among accounts that require an hispanic-owned shop," says Mr. Orci. "State contracts and some client companies have this requirement, and there was some business we were effectively closed out of as a division of McCann."

Mr. Edler says the ability to compete for accounts stipulating minority ownership was a major element in the decision to spin off La Agencia. "La Agencia was competing for the California lottery account, and the key question asked was,

Morass

(Continued from Page S-15)

general manager, Young & Rubicam's Bravo Group, which works with the Y&R PR subsidiary on projects. "It's already happening."

For example, San Antonio-based Sunbelt Sales Promotion has specialized in promotions and special event marketing since 1980. Clients have included Procter & Gamble Co., General Foods and H.J. Heinz Co., among others.

"Some agencies want to do it all," Ms. Exposito says. "but we believe you can't be a jack of all trades." Agencies can cover the bases, but when clients need to develop a complex promotional program they should call an expert, she says.

"We work with Bravo when the need arises," says Bronna Lipton, New York-based VP-manager of Burson-Marsteller's hispanic media and marketing services division. "It's a cumulative approach, an integrated approach."

Burson-Marsteller has extensive contacts with key hispanic community "influencers" and organizations, she says, and focuses on community marketing by reaching hispanics through their local leaders. "We're providing a different service than the agencies," Ms. Lipton says, adding that there's room for everybody in the market.

"It's a question of scope," she says. "Our focus is not primarily on advertising."

Mr. Torres says Burson-Marsteller does have one advantage over other specialists. "We provide a grass-roots approach, which is given by local agencies, but they cannot provide clients with simple movement of programs into other markets" serviced by the shop's satellite offices. Burson-Marsteller works to create project continuity in terms of both expanding them into national efforts and continuing them over time.

Burson-Marsteller became interested in the market because it knew it could fill a developing niche early, says Charles Farley, senior VP. "Others are evolving to promotion. We'll take the competition as it happens."

The hispanic division, he says, is as profitable as any of Burson-Marsteller's other operations, and has as much if not more potential. "The hispanic market still is undermarketed. Sometimes it's tough to bring them into the market, but it's pretty persuasive when the client attends a promotional event and sees the reaction on people's faces."

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Hispanic Newsbriefs

(Continued from Page S-19)

Ami Co., General Foods Corp., Kal Kan Foods, Kraft Inc., Procter & Gamble Co., Quaker Oats Cos. and Riceland Foods, among others. It also has helped Certified establish relationships with some stores, says Mr. Newman.

It was easier than expected to bring the independent grocers into the co-op arrangement, he says. "It's a way to give these stores some ammunition they need to compete. They realize they need help in merchandising and promotion," Mr. Newman says, "and that they can bring product to the floor at a competitive price."

With the program generating an anticipated $500,000 to $600,000 annually, Mr. Newman says he has created a win, win, win, win situation for WTAQ, WSNS, Certified, retailers and advertisers.

War waged over the wires

On June 11 San Diego-based Market Development Inc. raised some eyebrows when the research company announced that 85% of U.S. hispanics own telephones.

The MDI study, based on an analysis of 1980 U.S. Census data, is starkly juxtaposed to findings reported in Miami-based Strategy Research Corp.'s "1987 U.S. Hispanic Market Study."

SRC says only 69% of U.S. hispanic households have telephones, and only 31% have listed numbers.

MDI's findings added fuel to a fiery controversy on whether the telephone can be used to accurately sample hispanics.

Henry Adams-Esquivel, MDI's VP, says the study shows that telephone surveys can be reliable and offer better sample controls at a lower cost than door-to-door surveys. Richard Tobin, SRC's president, says that his costs are virtually the same whether SRC performs phone or field interviews, "because our field force is all set up." He says clients may pay 3% more for field studies.

Critics of the MDI study point to its basis in 1980 Census data.

"Those who dispute the position of the Census as the 'bible' . . . are prone to inaccurate findings that can cost marketers million of dollars in off-target decisions," Mr. Adams-Esquivel says.

Mr. Tobin says the Census process creates too many barriers to accurately measure hispanics. "This is an Anglo methodology." Hispanics who filled out the long-form, which contained questions concerning phone ownership, do not accurately represent baseline U.S. hispanics, he says, "who are predominantly foreign born or oriented. A very small proportion of people returned it."

Mr. Adams-Esquivel counters that methodology and not acculturation is the issue. He says that if the Census sends out a Spanish-language questionnaire and does not receive a response, an interviewer is sent to perform an in-home survey.

The Census Bureau confirms that households that don't return forms receive phone or in-home follow-ups. Some say this is policy, but not practice.

Even returned forms cannot be assumed accurate, Mr. Tobin says, because hispanics' legendary sense of pride may alter results. "The Census asked if they had a phone. We've done research studies that show they'll answer yes if they have access to a phone down the street or in their apartment building or in a previous home. Hispanics tend to say yes in response to socio-economic questions that place the family in the most positive light.

"What the Census didn't ask," he says, "is whether they would speak with a stranger on the phone and answer personal questions. That's the key issue." SRC, which has tracked hispanic phone ownership for more than 10 years, reports 90% of hispanic respondents prefer face-to-face interviews.

Client opinion on the methodology issue is divided. Marianna Reges, media research manager, New York-based Bristol-Myers Co., prefers telephone surveys. "They tend to underestimate and are more believable than door-to-door studies, which tend to overestimate."

Getting their wires crossed

U.S. hispanic phone ownership

Market Development Inc.	85%
Strategy Research Corp.	69%

Richard Amundsen, director-hispanic markets for Atlanta-based Coca-Cola Co., places more faith in bilingual door-to-door surveys. He says telephone methodologies can be used in cities with higher socio-demographic levels.

Research Resources employs both methods, but favors door-to-door, says Dale Dauten, head of the Westlake, Calif.-based company. Although clients generally prefer phone studies, he says they reach only some 45% of hispanics without using costly random digit dialing techniques.

A recent survey by Hicksville, N.Y.-based Information & Analysis for the Spanish Radio Advisory Council used both telephone and door-to-door strategies to gauge Chicago hispanics' radio listening habits. The results did not determine which technique works best, says Harvey Morrow, VP-general manager.

Supporting Ms. Reges' statement about response levels, about 86% of those interviewed at home said they listen to Spanish radio vs. 56% of those interviewed by phone. But the SRAC survey also indicates why the debate continues. Although the Census reports 81.5% phone penetration among Chicago hispanics, 50.6% of those surveyed in-home by Information & Analysis did not own phones.

The company is re-interviewing the door-to-door respondents by telephone this month because of what Mr. Morrow calls a vote-casting problem.

Whether a basic methodology can be agreed on is still in question.

MDI and SRC stand behind their findings. Educated clients remain the best judges of which methodology meets their needs. *—Linda Cecere*

KTNQ hits the big leagues

Los Angeles hispanics no longer have to play the California Lotteria to win big money.

KTNQ-AM, became the area's first radio station—hispanic or otherwise—to give away $1 million to one lucky listener.

"You have to be in the big leagues to do this," says Ken Wolt, the station's president and general manager.

The contest punctuates the Spanish-language station's new-found power. KTNQ and its sister station, KLVE-FM, earned a combined 7.9 market share according to the latest Arbitron ratings survey, and have the second-largest 25 to 54-year-old audience in Los Angeles.

"Most people don't realize that if the hispanic population here was considered a city by itself, it would be the fifth largest city in the nation," Mr. Wolt says. But these figures didn't elude Honolulu-based H&G Communications, which bought the two stations last year for $40 million and was certain better programming targeting 25 to 54-year-old hispanics and bigger promotions would yield ratings results.

H&G Communications knew better programming and big money promotions would help KTNQ.

So both stations changed formats while giving away hundreds of prizes until management decided on the $1 million contest last April.

On Aug. 29 during a live broadcast from the Ahmanson Theatre, the station gave the first of 50 annual $20,000 payments to Delfilia Carrafco, a 23-year-old mother whose name was selected from 350 semi-finalists. To sustain interest, the station started a second $1 million giveaway, making those who entered the first contest immediately eligible for the second.

"People thought we were crazy to do this because Hispanics don't enter write-in contests," Mr. Wolt says. "But with more than 2 million entries, I think we've smashed that preconception." *—Wayne Walley*

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Hispanic Market Tour

Despite ideal population mix, city fights for test market recognition

When it comes to hispanic test marketing, Chicago can't claim it's the Second City. Or third. Or fourth.

National advertisers head toward Houston, Los Angeles, Miami and New York to test products even though none of them reflect the overall U.S. hispanic market as well as Chicago. "Chicago is closest to the national breakout of hispanics, so testing here would give an advertiser a true picture of buying habits," says Marta Miyares, president, OMAR Inc., a Chicago-based ad agency.

Chicago's almost 800,000 hispanics make it the sixth largest U.S. hispanic market, according to Strategy Research Corp., Miami. "Plus, this city is No. 2 in terms of hispanics' average income." But she says she does not know of any real hispanic test marketing in Chicago. "Because Chicago has so many hispanic nationalities, advertisers are afraid they will turn one or more groups off," says Athena Sofios, VP, general manager of Evanston, Ill.-based WOJO-FM. "We reassure them you can address hispanics in one voice because Spanish is a language, not a format."

A common complaint, she says, "is that Chicago doesn't have enough media for a successful test market." Also, says Jesse Wilson, exec VP, San Jose & Associates, testing in Chicago is more expensive than buying media in a little Texas town.

While Ms. Sofios concedes this point, she says Chicago test results would be more accurate because of its demographic diversity. "And Chicago is still less expensive than L.A. or New York," she says.

Chicago's hispanic media has matured only recently, says Kathy Nicolini, national sales manager for local Univision affiliate WSNS-TV, making it "a tough job to raise the consciousness of advertisers and the major agencies."

The city's product distribution patterns also may appear intimidating, says Ken Ocepek, Univision's Chicago-based midwest sales manager. "As far as product distribution is concerned, Chicago often is perceived as being too unwieldy. The hispanics are spread out in Chicago, and that makes it a logistical problem because an advertiser needs an enormous number of stores to get adequate distribution."

Ms. Nicolini says the fact that hispanics are spread out over the city in concentrated pockets is a plus. "That means we have an excellent urban/suburban mix."

Mr. Wilson says clients who achieve the right distribution level still would have difficulty measuring results. "Now we have a strong media market," he says. "The only problem remaining is how does a client track the results? The research industry is not developed."

Chicago has had one recent success: a study by the Spanish Radio Advisory Council to test interviewing techniques. An impressive group of major advertisers and general market ad agencies joined Spanish radio stations and ad agencies in choosing Chicago as the project's test market.

"Chicago was selected as the test market because it has a very good Spanish radio market and a good cross-section of hispanics," says Peter Roslow, director-marketing, New York-based Telemundo Group, and former VP, general manager, Information and Analysis, the Hicksville, N.Y.-based company that performed the study.

"We feel Chicago is a valuable test market now," says Ms. Nicolini. "But advertisers are sticking to traditional test markets, like Miami, so convincing them that Chicago is for them will take some time."

—Eileen Norris

Eileen Norris is a frequent contributor to Special Report.

Mary Herlehy

Nationalities blend into Chicago's melting pot

Country of origin	Chicago	U.S.
Mexico	63%	57.6%
Puerto Rico	21	14.3
Cuba	3	5.9
Other	12	22.2

Source: Strategy Research Corp.

Nicaraguans add new flavor to Miami's mosaic

When Miami-based WQBA-AM debuted in 1966 it let the market know where it stood, calling itself *La Cubanisima*, the most Cuban.

"Who knows," muses George Hyde, general manager, and regional VP of Susquehanna Broadcasting Co., "maybe I'll have to change it to *La Nicaraguenisima* some day" to reflect the growing Nicaraguan population.

"We're certainly not about to abandon our slogan, however," he says, and with good reason. Cuban-Americans head 68.7% of South Florida's hispanic households, according to Miami-based Strategy Research Corp. But that figure is down from 78.1% in 1985, while the number of Central American heads of households increased from 9.3% in 1985 to 16.4%.

The influx of Nicaraguans is so marked, Enrique Perez, advertising director, Miami-based *Diario las Americas*, devoted a paragraph in a just-completed promotional brochure to talk about the group's impact. "The reason is that after Cubans, Nicaraguans are our second largest group of readers.

"They also are becoming good advertisers," he says. "They are becoming a factor in the economy."

Estimates place the area's Nicaraguan population at 75,000 to 100,000. *La Estrella*, a monthly newspaper for the Nicaraguan community, reports a 25,000 circulation. The number of Nicaraguans could rise rapidly now that the Justice Department has granted Nicaraguans political refugee status, which makes it easier for them to obtain work permits.

Both Messrs. Hyde and Perez see some similarities between the Nicaraguan immigrants of the 1980s and their Cuban forerunners. "The Cuban influx is unique because of the educational, economic, professional and entrepreneurial status of the immigrants," Mr. Hyde says.

"There's a certain amount of that in the new Central American immigrants."

And while they can't match the demographics of the area's Cuban segment, Mr. Perez anticipates that will occur. "The demos will get stronger. They're at the same level as the Cubans were in the '60s."

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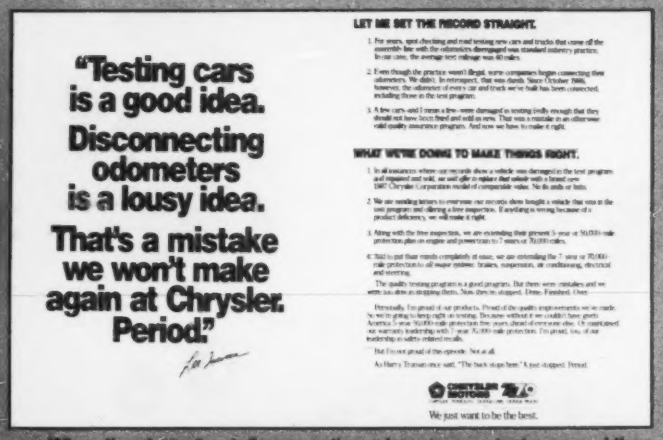
"Testing cars is a good idea.
Disconnecting odometers is a lousy idea.
That's a mistake we won't make again at Chrysler. Period."
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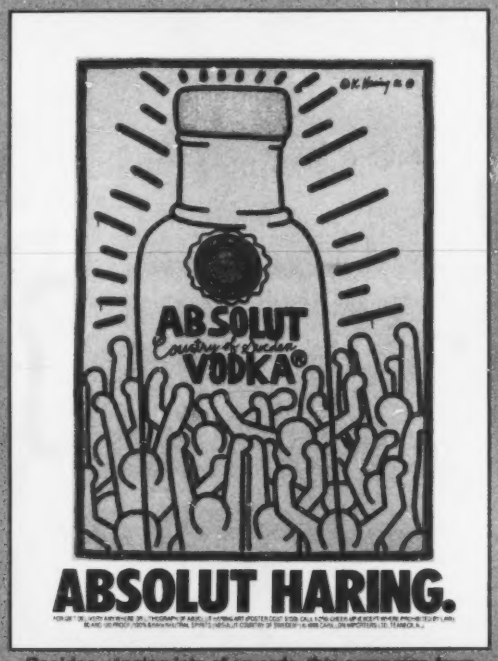
When the story about disconnecting odometers on test cars and then selling them as "new" broke, Chrysler Corp. looked bad. This ad, which ran just after the story broke, helped Chrysler look a lot better. By admitting it was wrong, with no ifs, ands or buts, Chrysler undoubtedly saved itself many millions of dollars in lost sales. Credit Bozell, Jacobs, Kenyon & Eckhardt, Detroit, with coming through under pressure. Copywriter: Don McKechnie; art director: Ron Bacsa.



Besides winning lots of awards, this campaign from TBWA, New York, is selling "lots of bottles" for Carillon Importers. It's running in magazines as well as newspapers. Creative directors: Arnie Arlow, Peter Lubalin; copywriter: Evert Cilliers; art director: Geoff Hayes; artist: Keith Haring.

When United Brands wanted to call attention to its sponsorship of the Pan American Games, Cato Johnson, New York, came up with this gold-medal solution. Creative supervisor and copywriter: Al Werben; art director: George Lamboa.

The day after Pepsi's Fountain Beverage Division learned they were keeping the Burger King business, they told the world about it with wit and style in this page ad, executed at lightning speed by Tracy-Locke of Dallas. Copywriter: Diane Forman-Semetc; art director: Kevin Lory Mote; art: Cat Pak Studio.

The boom in healthcare advertising has produced some excellent advertising. Much of it, like this ad for Chicago's Ravenswood Hospital Medical Center, is done in-house. We especially liked the headline. It may be "home-made," but most agency people would be proud to have written it. Creative director: Rod Neavelll; copywriter: Greg Waters; art direction: Parkside Graphics.

Best of Press selections are made by Advertising Age with the help of Hank Simons, VP-creative director of the Newspaper Advertising Bureau, and James Dunaway, VP-information of the bureau. National System Inc., St. Louis, provides tear sheets to the Newspaper Advertising Bureau for much of this work. Agencies, clients and newspapers are invited to submit ads for review to: Best of Press, c/o AA's New York bureau.

Autos pace July

NEW YORK—Advertiser spending during July in major-market daily newspapers in 16 categories climbed 9.3% to $252.8 million, according to the ADVERTISING AGE Flash Report. That increase was fueled by strong spending for new cars, amusements and food stores.

The new-car category, up 38.4% in June, climbed 61.2% in July vs. the same month last year, to $28.5 million. The amusements category, after a 3.3% dip in June, was up 18.2% to $41.9 million. Food store ad spending, up 7.7% in June, jumped 17.5% in July to $35.4 million.

Other categories posting major growth in July were general-merchandise stores, up 7.1% to $31.2 million; radio-TV-phonographs-records, up 9.6% to $19.2 million; and banks and trust companies, up 21.4% to $6.9 million.

Spending by department stores remained weak, down 9% to $57 million. Cigarette advertising continued to plummet, tumbling 54.3% to $1.5 million. Cigarette spending was off 50.7% in June.

Other categories posting advances in July were publishing and media, up 2.7% to $7.6 million; public service utilities and communications, up 15.8% to $4.7 million; computer stores and supplies, up 8.5% to $4.3 million; alcoholic beverages, up 3.5% to $2.1 million; computers, equipment and services, up 28.9% to $1.3 million; and cameras, photo supplies and services, up 13.1% to $473,000.

The stock, bond and investment house category dropped 16.5% to $1.3 million, and airline spending was unchanged from a year ago, at $9.4 million. The Flash Report is based on linage measurements by Media Records here in 29 daily and 22 Sunday newspapers in 15 major markets.#

FLASH REPORT: Newspaper advertising investment for July

July 1987	IN 100 THOUSANDS IN MILLIONS	DOLLARS		CHANGE	
CATEGORIES	YEAR	1987	1986	ACTUAL $ G OR L	% G OR L
Amusements	1987	$41,900,808	$35,451,381	+6,449,427	+18.2
	1986				
Computer stores & supplies	1987	4,287,688	3,951,604	+336,084	+8.5
	1986				
Department stores	1987	57,039,326	62,655,516	−5,616,190	−9.0
	1986				
Food stores	1987	35,433,948	30,145,000	+5,388,948	+17.5
	1986				
Radio, TV, phonographs, records	1987	19,211,724	17,532,242	+1,679,482	+9.6
	1986				
General merchandise stores	1987	31,178,651	29,107,499	+2,071,152	+7.1
	1986				
Alcoholic beverages	1987	2,058,294	1,988,032	+70,262	+3.5
	1986				
Cameras, photo supplies & services	1987	472,638	417,983	+54,655	+13.1
	1986				
Computers, equipment & services	1987	1,315,576	1,020,398	+295,180	+28.9
	1986				
Public service utilities & communications	1987	4,719,187	4,074,651	+644,536	+15.8
	1986				
Publishing & media	1987	7,563,955	7,367,530	+196,425	+2.7
	1986				
Cigarettes	1987	1,485,379	3,252,503	−1,767,124	−54.3
	1986				
Airlines	1987	9,433,906	9,429,393	+4,513	+0.0
	1986				
Passenger cars-new	1987	28,523,405	17,699,276	+10,824,129	+61.2
	1986				
Banks & trust companies	1987	6,891,890	5,678,806	+1,213,084	+21.4
	1986				
Stock, bond & investment houses	1987	1,286,730	1,579,120	−292,390	−18.5
	1986				

This Flash Report of newspaper advertiser investments, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 29 dailies and 22 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Cincinnati, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.

Source: Media Records Inc.

Cereals report crisp gains

Products for adults increase

By JOHN C. MAXWELL JR.

The cold-cereal industry had another record year in 1986, with volume up 4% to 2.26 billion pounds. In dollars, the market was up 11% to $4.94 billion.

It is obvious the industry will be well over $5 billion this year. A price increase on the order of 3% was put into effect during the later part of the first calendar quarter.

We believe volume increases will be on the order of 4% in 1987.

The main growth area in 1986 was the adult products, though the children and all-family areas grew nicely. Battle Creek, Mich.-based Kellogg Co.'s products such as Nutri-Grain, Just Right and Raisin Squares were particularly noteworthy.

Kellogg, General Mills, Ralston Purina Co. and Nabisco Brands continued to gain share to the detriment of the Post division of General Foods Corp. (Philip Morris Cos.).

In the first quarter, Minneapolis-based General Mills seemed to be leading the way, particularly with new products. The company's new Ice Cream Cones is in the 1% zone. Raisin Nut Bran, which was introduced in 1986, is running close to a share point. In addition, Oatmeal Raisin Crisp has rolled out nationally.

Kellogg, which is off about a share point in the first quarter from the 1986 average, may reverse the trend with the introduction of Pro Grain, targeted toward athletic adults. This new product is being backed by a $30 million budget.

Chicago-based Quaker Oats Co.'s Oh's was heavily promoted and looks very good. The company is now marketing Quaker Oat Squares, an adult cereal with appeal for the whole family.

St. Louis-based Ralston seems to be doing very well with its short life-cycle cereals, though certainly Almond Delight may be longer lived with more than a half-share already.

Nabisco, East Hanover, N.J., appears to be getting more aggressive in its marketing and has rolled out several new items, including Shredded Wheat'n Bran and a Fruit Wheats line.#

Mr. Maxwell is with Furman Selz Mager Dietz & Birney, New York.

Cold cereal market shares

Share of market in pounds and dollars. *Source: John C. Maxwell Jr.*

Brand	1984 Lbs.	1984 $$	1985 Lbs.	1985 $$	1986 Lbs.	1986 $$
Kellogg						
Corn Flakes	6.8	4.7	6.7	4.5	6.6	4.5
Frosted Flakes	5.6	5.2	6.0	5.7	6.0	5.7
Raisin Bran	4.5	4.0	4.7	4.3	4.5	4.1
Rice Krispies	3.5	3.8	3.8	4.2	3.6	4.0
Bran products	3.1	2.3	3.5	2.8	3.5	2.8
Fruit Loops	2.3	2.9	2.3	3.0	2.4	3.2
Frosted Mini-Wheats	1.9	1.9	2.0	2.0	2.0	2.1
Nutri-Grain	1.2	1.1	1.2	1.1	1.5	1.1
Special K	1.9	2.5	1.5	2.0	1.4	1.9
Apple Jacks	1.0	1.5	1.1	1.5	1.2	1.6
Sugar Smacks	1.2	1.3	1.1	1.2	1.2	1.3
Sugar Pops	1.1	1.2	1.1	1.2	1.0	1.1
Crispix	0.5	0.7	1.0	1.0	1.0	1.0
Product 19	0.9	1.1	0.9	1.1	0.9	1.1
Fruitful Bran	0.7	0.6	0.6	0.5	0.9	1.0
Raisin Squares	0.3	0.3	0.6	0.6	0.9	1.0
Just Right	—	—	0.3	0.3	0.9	0.9
Cocoa Krispies	0.6	0.8	0.6	0.8	0.7	0.9
Apple Raisin Crisp	0.5	0.6	0.4	0.5	0.4	0.5
Cracklin Bran	—	—	0.4	0.3	0.3	0.4
Honey Nut Corn Flakes	0.5	0.6	0.3	0.4	0.3	0.4
Marshmellow Crispies	0.4	0.6	0.3	0.4	0.3	0.4
Frosted Rice	0.4	0.4	0.3	0.3	0.2	0.2
Cinnamon Squares	—	—	—	—	0.2	0.2
C-3PO	0.5	0.6	—	—	—	—
Most	0.2	0.3	—	—	—	—
O.J.	—	—	0.4	0.4	—	—
Others	0.8	1.2	1.3	1.5	0.7	0.6
Total	40.5	40.3	42.4	41.6	42.6	42.0
General Mills						
Cheerios	5.2	5.5	5.0	5.2	4.9	5.1
Honey Nut Cheerios	2.6	2.9	2.8	3.1	2.9	3.2
Total	2.1	2.8	2.1	2.5	2.1	2.5
Lucky Charms	1.7	2.1	1.7	2.1	1.7	2.1
Wheaties	2.0	1.4	1.8	1.5	1.6	1.4
Trix	1.5	1.9	1.5	1.9	1.4	1.8
Golden Grahams	1.3	1.3	1.2	1.2	1.0	1.1
Crispy Wheats 'n Raisins	1.0	1.1	0.8	1.0	0.7	0.9
Cinnamon Toast Crunch	0.6	0.7	0.7	0.8	0.6	0.7
Cocoa Puffs	0.6	0.7	0.6	0.8	0.6	0.8
Raisin Nut Bran	—	—	—	—	0.6	0.7
Kix	—	—	0.6	0.8	0.6	0.8
Fibre 1	—	—	0.4	0.3	0.5	0.4
Monsters, etc.	0.5	0.8	0.6	0.8	0.5	0.7
Smores	—	—	0.4	0.5	0.4	0.5
Rocky Road	—	—	—	—	0.4	0.5
Circus Fun	—	—	—	—	0.4	0.4
Buc Wheats	0.3	0.4	0.2	0.3	0.1	0.1
Licensed Products	0.7	1.0	0.3	0.5	—	—
Others	0.6	0.5	0.2	0.4	0.2	0.4
Total	20.7	23.1	20.9	23.7	21.2	24.1
General Foods						
Raisin Bran	2.7	2.1	2.6	2.0	2.5	2.0
Grape-Nuts	2.2	1.5	2.4	1.8	2.3	1.7
Post Fruit & Fibre	1.3	1.4	1.6	1.7	1.5	1.6
Pebbles	1.1	1.3	1.2	1.3	1.4	1.5
Sugar Crisp (Incl. Orange)	1.4	1.4	1.2	1.2	1.1	1.1
Post Toasties	1.0	0.8	0.8	0.6	0.8	0.6
40% Bran Flakes	0.8	0.8	0.9	0.9	0.8	0.8
Honeycombs	1.1	1.3	0.8	0.9	0.7	0.8

Share of market in pounds and dollars. *Source: John C. Maxwell Jr.*

Brand	1984 Lbs.	1984 $$	1985 Lbs.	1985 $$	1986 Lbs.	1986 $$
General Foods (continued)						
Alpha Bits	0.7	0.8	0.6	0.7	0.5	0.6
Fortified & Oat Flakes	0.5	0.4	0.3	0.3	0.4	0.4
Raisin Grapenuts	0.4	0.4	0.4	0.4	0.3	0.3
Horizon Trail Mix	—	—	—	—	0.2	0.2
Smurfberry	0.5	0.6	0.2	0.3	0.1	0.2
CW Post	0.1	0.1	0.1	0.1	0.1	0.1
Honey-Nut Crunch Raisin Bran	0.2	0.2	0.1	0.1	—	—
Others	0.3	0.2	0.1	0.1	0.1	0.1
Total	14.3	13.3	13.3	12.4	12.8	12.0
Quaker Oats						
Cap'n Crunch	2.7	3.2	2.6	3.1	2.6	3.1
Life	2.4	2.2	2.0	1.9	1.8	1.7
100% Natural	1.5	1.4	1.5	1.4	1.3	1.2
Corn Bran	0.6	0.6	0.6	0.6	0.6	0.6
Oh's	—	—	—	—	0.5	0.6
Halfsies	0.2	0.3	—	—	—	—
Others	0.9	0.9	0.6	0.7	0.3	0.2
Total	8.3	8.6	7.3	7.7	7.1	7.4
Ralston Purina						
Chex	4.3	4.6	3.6	3.7	3.4	3.5
Almond Delight	—	—	—	—	0.7	0.7
Sun Flakes	—	—	0.6	0.5	0.5	0.4
Cookie Crisp	0.4	0.7	0.5	0.7	0.5	0.7
Ghost Busters	—	—	—	—	0.4	0.4
Rainbow Bright	—	—	0.4	0.5	0.1	0.1
Nerds	—	—	—	—	0.3	0.4
Donkey Kong	0.6	0.6	—	—	—	—
Waffelos	—	0.1	—	—	—	—
Others	0.6	0.3	0.7	0.8	—	—
Total	5.9	6.3	5.8	6.2	5.9	6.2
Nabisco						
Shredded Wheat	4.0	3.3	4.0	3.5	4.1	3.6
Others	0.9	0.9	0.9	0.9	0.9	0.9
Total	4.9	4.2	4.9	4.4	5.0	4.5
All Others	5.4	4.2	5.4	4.0	5.4	3.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Cold cereal's top 10

Share of market in pounds and dollars. *Source: John C. Maxwell Jr.*

Brand	1985 Pounds	1985 Dollars	1986 Pounds	1986 Dollars
Corn Flakes (K)	6.7	4.5	6.6	4.5
Frosted Flakes (K)	6.0	5.7	6.0	5.7
Cheerios (GIS)	5.0	5.2	4.9	5.1
Raisin Bran (K)	4.7	4.3	4.5	2.0
Shredded Wheat (NAB)	4.0	3.5	4.1	3.6
Rice Krispies (K)	3.8	4.2	3.6	4.0
Bran Products (K)	3.5	2.8	3.5	2.8
Chex (RAL)	3.6	3.7	3.4	3.5
Honey Nut Cherrios (GIS)	2.8	3.1	2.9	3.2
Cap'n Crunch (Oat)	2.6	3.1	2.6	3.1
Raisin Bran (GF)	2.6	2.0	2.5	2.0
Total	45.4	42.0	44.6	39.5

P&G Italian promo helps Kenyan village

By CLAIRE PEDRICK

ROME—Procter & Gamble Co. is aiding a village in Kenya by tying in a promotion for its powder detergent, Dash, on the popular TV variety show it sponsors here.

P&G's two main competitors in Italy—Henkel and Unilever—are sponsoring rival TV shows this fall and have increased the prize money to attract more viewers.

The P&G project, code-named "Missione Bonta," or Operation Goodness, aims to provide schools and wells for Kiongwani, a drought-ridden settlement 100 miles south of Nairobi.

"The idea came to us after we heard about an appeal from some Italian missionaries based in Kenya," said Enrico de Toma, public relations director at P&G here.

The appeal was announced in a TV campaign that broke Sept. 26 on the Italian state network's RAI Uno channel. Leo Burnett Co., Milan, which handles Dash, prepared the campaign. The first screening of this fall's "Fantastico" variety show will be Oct. 3.

P&G has pledged $750,000 to cover the initial stages of the program. The rest of the money—an estimated $3.25 million—is expected to come from customers. A card in each Dash box will ask for a contribution of 75¢.

TV viewers will be updated through a weekly linkup with Kiongwani during "Fantastico." The popular Saturday evening variety show on RAI Uno attracts more than 10 million viewers.

In Italy, TV sponsorship is dominated by the big three detergent marketers. P&G's Dash is the biggest seller.

On Sept. 25, Henkel's Dixan detergent teamed up with the Silvio Berlusconi-owned Canale 5 for a series of 16 "Festival" gala shows. Henkel will put up a record $1.5 million in prize money for contestants, including a minimum $750,000 at the end of the series.

Hosting the show will be one of Italy's most famous TV personalities, Pippo Baudo, who earlier this year moved from RAI to Canale 5.

On Thursday nights on the same channel, TV veteran Mike Biongiorno will present a rival variety quiz show, "Supermike," sponsored by Unilever's washing powder Bio Presto, also with a prize of $750,000.

TV sponsorship is an expensive business in Italy. Each of the 16 Henkel-backed "Festival" programs will cost around $6.5 million to stage. Production companies share in the cost of the programs with the sponsors.

"Sponsoring a TV show can easily cost as much as a major ad campaign, but it involves the viewers and continually focuses attention on the product," said Paolo Girone, president, Essevi, a Milan agency.

Sponsorship of a quiz show keeps the product in front of the viewers throughout the program. Not only are spots run during commercial breaks, but the company's name appears on the set of the show and is mentioned several times during the program.#